

FUNDING HEALTH CARE

Common sense plan fades from agenda

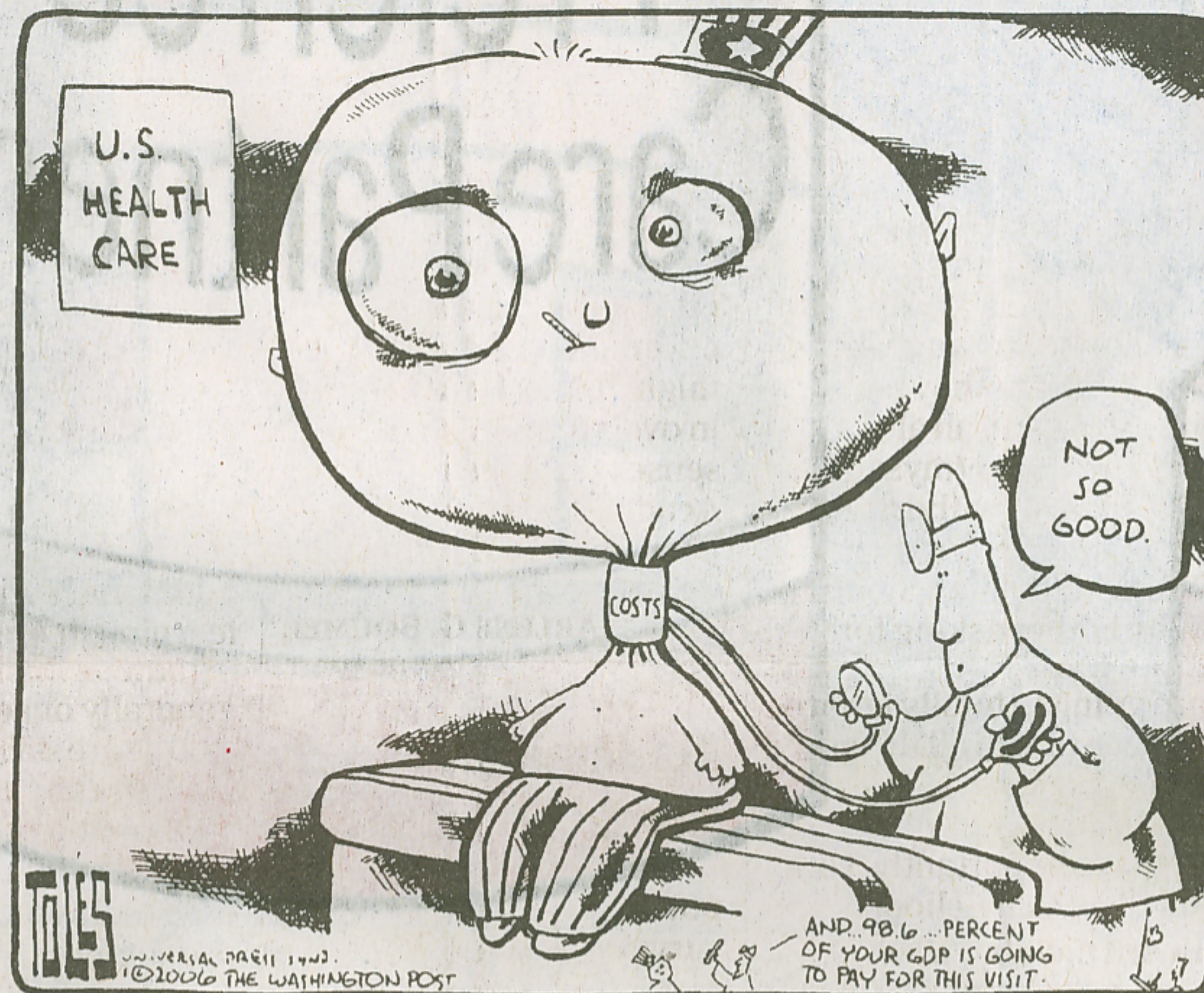
BY NYDIA M. VELAZQUEZ

In last week's State of the Union address, much of what the American public heard was a great deal of old ideas repackaged as new ones. Yet, almost as important as what was said is what went unsaid.

The president outlined several challenges facing this nation, including the current health care crisis. This crisis poses significant barriers for this nation's small business owners today. Nearly 60 percent of the nation's uninsured are either small business owners or have a family member who works for one. The problem has only grown worse over the past five years, as health care costs have simply skyrocketed by nearly 70 percent.

President Bush clearly acknowledged this growing epidemic in 2001, when he wisely joined a group of bipartisan members in support of the Association Health Plans. The initiative allows small firms to band together to purchase insurance, similar to methods used by their larger counterparts, such as IBM and Lockheed Martin.

In fact, the president was so enthused by AHPs that it was the centerpiece of his small business agenda in 2002 — even stating “we must have association health plans” in a 2002 speech. The president seems to believe so strongly in this initiative, that he has spent much of the last few years touting AHPs as the No. 1 solution for small business health care.



The measure has garnered significant bipartisan support, already passing the House, with similar legislation pending in the Senate. It was off to a strong start, but Congress needs to finish what it started. Clearly, the president's help is needed to get the job done.

Unfortunately, this common sense solution has gone from being the centerpiece of the administration's small business rhetoric — to nothing more than a bullet point buried in a White House “fact sheet.” Based on last week's speech, it sadly looks as if the most common sense health care solution, AHPs, has fallen by the wayside — perhaps following the path of the president's mission

to Mars or Social Security reform, where he promised a lot and delivered a little.

The president also emphasized the need to work across party lines to solve the health care crisis. Well, if that is the case, then AHPs are the perfect fit. Given this commitment to bipartisanship, it is confusing as to why the president would turn away from a common sense measure to focus on much more partisan initiatives.

This sudden turn away from AHPs — a no-cost solution — when this nation is facing a \$3.4 trillion deficit makes absolutely no sense. While many of the other health care packages the president is now focusing his attention on would

only increase medical costs, AHPs are a solution that would put a significant dent in the massive health care crisis facing 23 million small businesses today without putting the nation into further debt.

The reality is that AHPs are not without some very powerful opposition in Washington. The insurance companies are well aware this change will create competition and force them to start offering affordable health care coverage to small businesses. The insurance industry is certainly not a stranger to the president, who received millions of dollars from the industry during the 2004 campaign. One must ask if these contributions from the insurance industry have clouded the president's opinion of AHPs.

The president was right to back AHPs; he made this common sense, bipartisan approach the core of his solution to the lack of affordable health care for small businesses. Yet, if this year's State of the Union address is any indication of the commitment that now exists, then President Bush is gravely disappointing thousands of small business owners who are struggling each and every day to find health care coverage. He is only leaving these entrepreneurs with even less hope for a solution than before.

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administration has been a major pusher.

I don't remember the president admonishing the public for its oil “addiction” when he was working at oil companies like Harken or Arbusto, which is Spanish for “bush.” Vice President Dick Cheney was CEO of Halliburton, a very large oil and gas services company. This is, I remind you, the only administration whose secretary of state once had an oil tanker named after her.

By now the president should know as well as anyone that Americans are not so much “addicted” to oil as dependent on it in the absence of better alternatives. That's simple economics. One becomes a junk food “junkie” when better food is either unavailable or unaffordable.

You could see this in the way we Americans howled when gasoline hit \$3 a gallon, a price ceiling that much of the rest of the developed world broke through decades ago, mostly because of taxes various governments put on fuel consumption. The European consumers' response was to drive more fuel-efficient cars and invest in better mass transit systems. The Japanese auto industry's response was to produce the fuel-efficient hybrids that have proved to be wildly successful with American consumers.

What is to be the American response?

Were President Bush to break with typical political tradition and tell candid truth to the public, he would point out that history shows rising oil prices to be the most effective way to nudge the country out of its oil dependency because this reduces demand. But too much candor about such sensitive matters can be political suicide, especially in an election year.

Instead, Bush's oil remarks sounded as if they were inserted into his laundry list of promises in response to (1) opinion polls that show his approval ratings slumped to around 45 percent and (2) news that Exxon Mobil Corp. had reported what analysts called the highest profit in U.S. history (\$10.71 billion for the fourth quarter of 2005 and \$36.13 billion for the year).

Among other worries these days, the public wants fuel price relief. The public, like that fabled Zimbabwean in the gasoline queue, wants some kind of response from the White House to their own fuel price complaints and the president was trying to give it to them.

But will Bush back up his words with real action? It was not a good sign that he called for